



NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY
WESTERN DISTRICT OF MISSOURI

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FOR IMMEDIATE RELEASE

CHILLICOTHE COUPLE PLEADS GUILTY TO TAX EVASION

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced today that a Chillicothe, Mo., couple has pleaded guilty in federal court, in separate but related cases, to tax evasion and to being an accessory after the fact.

Chang King Wu, 40, a naturalized U.S. citizen born in China, and **Hue Hien Chung**, 41, a naturalized U.S. citizen born in South Vietnam, both residents of Chillicothe, waived their right to a grand jury and pleaded guilty before U.S. District Judge Fernando J. Gaitan Thursday. **Wu** pleaded guilty to a federal information that charges him with tax evasion; **Chung** pleaded guilty to a federal information that charges her with being an accessory after the fact to **Wu's** tax evasion.

Wu opened the Beijing Restaurant in Chillicothe in 1990, and is still involved in the operations of the restaurant. In the past, **Wu** has also been involved with the Beijing Buffet in Excelsior Springs, Mo., and Chinese Buffet in Marshall, Mo. **Wu** and **Chung** have lived together since approximately 1987 after having a traditional Vietnamese wedding, though they were never legally married.

By pleading guilty today, Graves said, **Wu** admitted that he attempted to evade paying a large part of the income taxes he owed for 1998 to 2001. For each of those years, **Wu** filed fraudulent income tax returns claiming a low taxable income, when his actual income was substantially higher.

“Even as he claimed an annual taxable income ranging from \$10,000 to \$21,000,” Graves said, “**Wu** deposited more than \$544,000 into his personal and business bank accounts and into the personal accounts of **Chung**.”

On April 16, 2002, **Wu** told federal investigators that the source of those deposits was a

hoard of gold he had brought with him from Vietnam, as well as gifts and loans from friends and family. **Chung** told federal investigators that her maternal grandfather had given her packages for safekeeping, which were subsequently discovered to contain \$300,000. After her grandfather died, **Chung** claimed, she gave the money to **Wu**. **Wu** later recanted his original explanation and adopted the story of the cash hoard described by **Chung**, which both have since admitted was false.

The total unreported additional income during those years, Graves said, totaled \$329,543. The total additional tax due and owing for those years is \$95,434.

Under federal statutes, **Wu** could be subject to a sentence of up to five years in federal prison without parole, plus a fine up to \$250,000 and an order of restitution. **Chung** could be subject to a sentence of up to two years and six months in federal prison without parole, plus a fine up to \$125,000. Sentencing hearings will be scheduled after the completion of a presentence investigations by the United States Probation Office.

This case is being prosecuted by Assistant U.S. Attorney Frances Reddis. It was investigated by IRS-Criminal Investigation.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at
www.usdoj.gov/usao/mow